



ARIZONA HOUSE OF REPRESENTATIVES

HB 2537: general appropriations act: 2017-2018.

PRIME SPONSOR: Representative Mesnard, LD 17

BILL STATUS: [Appropriations](#)

Legend:

JLBC – Joint Legislative Budget Committee

OF – Other Fund

Amendments – **BOLD** and ~~Stricken~~ (Committee)

Abstract

Relating to GF and OF appropriations and transfers for FY 2018 for the operation of state government and various budget revisions and supplemental appropriations for FY 2017.

Provisions

1. The tables below indicate GF and OF changes for appropriated state agencies for FY 2018 along with major footnote changes.

Summary of Changes	Fund Source	Comments	FY 2018 Changes
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Arizona Department of Administration (ADOA)

2. Retains legislative intent that ADOA not replace vehicles until they have an average of 80,000 miles or more, and requiring ADOA to submit a report for JLBC review by August 1, 2017 on the achieved maintenance savings. (Sec. 8)

Department of Agriculture

Meat and Poultry Inspector	GF		85,000
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Arizona Health Care Cost Containment System (AHCCCS)

Prescription Drug Rebate Shift	GF		(30,000,000)
Prescription Drug Review Initiative	OF	Drug Rebate Fund	221,000
Adult Dental Services	OF	Drug Rebate Fund	1,500,000
Proposition 206 Costs	GF		9,700,000
Occupational Therapy	GF		130,000

Attorney General (AG)

3. Prohibits all monies appropriated to the AG legal services line item in the Department of Child Safety budget from counting toward the AG's Interagency Service Agreements Fund appropriation in FY 2018. (Sec. 14)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note

4. Appropriates \$1,500,000 in FYs 2018 and 2019 from the GF to the AG for operating expenses of the criminal division. (Sec. 14)

Department of Child Safety (DCS)			
Adoption Services	GF		2,000,000
Removal of Ongoing Backlog Privatization	GF		(2,700,000)
Family Stipend (Kinship)	GF		1,000,000

5. Requires DCS to submit an expenditure plan for JLBC review before expending any monies in the retention pay line item. Contains legislative intent that monies in the line item be transferred to DCS' operating budget in FY 2019. (Sec. 19)
6. Extends eligibility for the grandparent stipend to any non-grandparent relative or caretaker of fictive kinship. Requires DCS to submit a report for JLBC review before changing the eligibility for the program or amount of the stipend (Sec. 19)
7. Sets the benchmark for open reports to fewer than 8,000 by June 30, 2017. Stipulates that the benchmark represents the average number of incoming reports for each two month period from March 1, 2016 through June 30, 2018. (Sec. 19)
8. Specifies that the out-of-home care population be at or below 15,191 children by June 30, 2018. (Sec. 19)
9. Requires DCS to submit a report on the progress of implementing Moss-Adams audit recommendations for JLBC review by September 15, 2017 and March 15, 2018. (Sec. 19)

Arizona Community Colleges			
Gila County Workforce	GF		250,000

Arizona Department of Corrections (ADC)			
1,000 Beds Annualization	GF		(4,000,000)
Medicaid Savings	GF		(2,500,000)
Inmate Health Care Growth	GF		1,500,000
Kingman Prison Refinance Savings	GF		(2,100,000)
Recidivism Reduction Initiatives	GF		500,000
Retirement Adjustment	GF		8,400,000

Department of Economic Security (DES)			
Proposition 206 Costs	GF		23,300,000
Adult Protective Services Backfill/New Staff	OF	Health Lottery Fund	2,000,000
Developmental Disability (DD) Early Intervention Program	GF		2,000,000

State Board of Education (SBE)			
AG Intergovernment Service Agreement (ISA) from the Department of Education	GF		50,000

Arizona Department of Education (ADE)			
Formula	GF		(3,400,000)
Results-Based Funding	GF		37,600,000
1% Teacher Salary Increase	GF		34,000,000
Early Literacy	GF		8,000,000
ISA Funding to SBE	GF		(50,000)
Joint Technical Education District (JTED) Completion Grants	GF		1,000,000
School Resource Officers	GF		500,000
Geographic Literacy	GF	One-Time	100,000

10. Requires each school district or charter school to use its allocation from the additional teacher salary increase line item only to increase the salary of each teacher by 1% in FY 2018. The teacher must have taught at an Arizona district or charter school during the 2016-2017 school year and continue to teach at an Arizona district or charter school during the 2017-2018 school year. The increase is in addition to and supplements, not supplants, any other salary increase the district or charter would have provided.
- Directs ADE to use the appropriated amount to provide districts and charters with funding for the salary increases.
 - Requires ADE to allocate the amount of funding for the increases by December 1, 2017, including the amount of funding needed for the employer share of related increases in employee-related expenses for the Arizona State Retirement System and the Federal Insurance Contributions Act.
 - Computes the increase for each eligible teacher on the teacher's salary for the 2016-2017 school year.
 - Requires the members of a school district or charter governing board or body to:
 - Conduct a separate vote regarding the allocation of these monies
 - Notify teachers and the school community, as well as publish notice in a newspaper, of the scheduled date and time of action.
 - Attest on a page of their FY 2018 budget that the members sign that the adopted budget meets line item requirements.
 - Allows ADE to require a district or charter to submit information necessary for ADE to carry out requirements. Requires the district or charter to submit the required information to be eligible for line item funding.
 - Includes monies received from this line item in a district or JTED's general budget limit for the maintenance and operation fund for FY 2018.
 - Contains legislative and executive intent to include funding for an additional 1% teacher salary increase in FY 2019.
 - Defines *teacher*. (Sec. 33)

11. Stipulates that monies appropriated for JTED completion grants are intended to help fund program completion for students who complete at least 50% of a JTED program before graduating from high school and who successfully complete the program after high school graduation. Requires ADE to develop application procedures. Reduces grants on a proportional basis if the appropriation is insufficient to fund all grant requests. Exempts the appropriation from lapsing. (Sec. 33)
12. Allows, after JLBC review, ADE to use a portion of its FY 2018 GF appropriations for Basic State Aid (BSA) or Additional State Aid (ASA) to fund a shortfall in funding for BSA or ASA, if any, that occurred in FY 2017. (Sec. 33)

Department of Financial Institutions (DFI)

Fund Shift	GF		(1,500,000)
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Arizona Department of Forestry and Fire Management

Firefighter Safety Communications	GF		30,000
Deputy Fire Marshal	GF		100,000
Post-Release Firefighting Crew	GF		1,000,000

Department of Health Services (DHS)

Reduce Operating Budget	GF		(2,800,000)
Increase Arizona State Hospital (ASH) Funding	GF		2,800,000
Renal Transplant Drugs	GF		183,000

Independent Redistricting Commission (IRC)

Work Completed	GF		(1,100,000)
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Judiciary

Court of Appeals Staff	GF		149,000
Full-Time Water Master	GF		31,000
Probation Caseload	GF		500,000
Court Ordered Removals	GF		75,000

Department of Juvenile Corrections (DJC)

Spending Reduction	GF		(5,000,000)
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Legislature – Auditor General (OAG)

Special Investigative Unit	GF		680,000
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Arizona State Lottery Commission

13. Reduces the percentage of actual instant ticket sales appropriated for printing instant tickets or contractual obligations for instant ticket distributions from 3.6% to 3.05%. (Sec. 59)

Commission for Postsecondary Education

Math, Science and Special Education Teacher Loan Program	GF		250,000
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Department of Public Safety (DPS)

Retirement Adjustment	GF		2,600,000
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Secretary of State (SOS)

14. Requires the SOS, in expending monies appropriated for the statewide voter registration system, to prescribe the manner in which counties must submit data. (Sec. 88)

Arizona Department of Transportation (ADOT)

15. Retains the requirement for ADOT to report to the JLBC Director by July 31, 2017 on the cost to link local governments, state agencies and other users with the new Motor Vehicle Division automated system. (Sec. 92)
16. Reduces ADOT's risk management payment to ADOA by \$792,500 to \$15,981,300. (Sec. 92)
17. Stipulates that reimbursements for monies expended from the highway maintenance line item are prohibited from being credited to the account out of which the expenditure incurred. Requires ADOT to deposit all reimbursements for expended monies from the highway maintenance line item in the Highway Damage Recovery Account. (Sec. 92)

State Treasurer

Empowerment Scholarship Account (ESA) Administration	OF	ESA Fund – 225,000 Management Fund – 100,000	325,000
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Universities – Arizona Board of Regents (ABOR)

18. Deletes footnote requiring ABOR to allocate \$5,000,000 to the universities using a performance funding model and instead adds to the base budget.
19. Deletes footnote stating legislative intent that ABOR use the adopted performance funding model in developing and submitting budget requests.

Department of Water Resources (DWR)			
Geographic Information System (GIS) Personnel	GF		100,000
General Streams Adjudication Personnel	GF		500,000
Legal Support for Adjudications and Colorado River	GF		100,000
Active Area Management Personnel	GF		200,000
Water Protection Fund Deposit	GF		300,000

FY 2017 SUPPLEMENTAL APPROPRIATIONS AND ADJUSTMENTS

FY 2017 GF and OF Changes		
ADOA – Federal Government Disallowed Costs – Risk Management Revolving Fund	OF	3,218,200
AHCCCS – Children's Health Insurance Program Fund	OF	63,225,800
ADE – Additional Formula Costs	GF	17,081,200
State Land Department – Central Arizona Project User Fee Rate Adjustment	GF	224,500
State Land Department – Legal Services – Trust Land Management Fund	OF	225,000

20. Repurposes \$6,100,000 of FY 2017 appropriations for the Children's Information Library and Data System (CHILDS) at DCS rather than the state's e-procurement system as follows:
 - a. Extends the exemption from lapsing for the FY 2015 appropriation for the replacement of the Arizona Financial Information System (AFIS) through the end of FY 2018 and designates the remaining \$3,103,000 of that appropriation for the replacement of CHILDS, rather than the state's e-procurement system. (Sec. 1)
 - b. Decreases the FY 2017 APF appropriation for the replacement of the state's e-procurement system from \$12,000,000 to \$9,000,000. (Sec.2)
 - c. Designates a \$3,000,000 FY 2017 APF appropriation for implementing upgrades to CHILDS, and makes the appropriation exempt from lapsing. (Sec. 2)
21. Deletes FY 2017 ADOA general agency counsel allocations for the Department of Agriculture (\$4,200) and the Arizona Geological Survey (\$6,800). (Sec. 4)
22. Extends the lapsing date for FY 2017 monies that are allocated for agency relocation costs associated with the renovation of 1740 W Adams building to June 30, 2018. (Sec. 105)
23. Increases the sum of \$66,454,800 from the AHCCCS appropriation from the expenditure authority in FY 2017. The total includes the following:
 - a. \$70,854,300 decrease from federal Medicaid Authority.
 - b. \$137,309,100 increase from the Prescription Drug Rebate Fund – Federal. (Sec. 106)
24. Extends the lapsing date for FY 2016 and FY 2017 appropriations to DCS for backlog privatization to June 30, 2018. (Sec. 107)

25. Appropriates \$7,720,800 from the GF and \$17,739,200 from the Developmental Disabilities Medicaid Expenditure in FY 2017 to DES for Division of Developmental Disabilities (DDD) service provider rate cost increases resulting from enactment of Proposition 206. (Sec. 108)
26. Appropriates \$427,000 from the GF in FY 2017 to DES for DDD state-only home and community based services provider rate cost increases from enactment of Proposition 206. (Sec. 108)
27. Allows DES to use up to \$25,000,000 from the Budget Stabilization Fund (BSF) for the purpose of providing funding for reimbursement grants. Requires the appropriation to be fully reimbursed by September 1, 2017 and reimbursed in full as part of the closing process for FY 2017. Prohibits the appropriation from being used for additional programmatic expenditures. (Sec. 109)

ADDITIONAL FY 2018 APPROPRIATIONS AND ADJUSTMENTS

ADOA

28. Appropriates \$5,500,500 from the GF in FY 2018 to ADOA for distribution to counties for maintenance of essential county services. Requires ADOA to allocate the monies equally among all counties with a population of less than 200,000 persons (Apache, Cochise, Coconino, Gila, Graham, Greenlee, La Paz, Navajo, Santa Cruz, Yuma). (Sec. 112)
29. Appropriates \$500,000 from the GF in FY 2018 to ADOA for distribution to a county with a population between 30,000 and 40,000 persons (Graham) for maintenance of essential county services. (Sec. 112)
30. Appropriates \$1,650,150 from the GF in FY 2018 to ADOA for a onetime distribution to counties for maintenance of essential county services. Requires ADOA to allocate the appropriation equally between counties with a population of more than 200,000 and less than 900,000 persons (Mohave, Pinal, Yavapai). (Sec. 112)
31. Appropriates \$8,000,000 from the GF in FY 2018 to ADOA for a onetime distribution to counties for maintenance of essential county services. Requires ADOA to allocate as follows (Sec. 112):

County Proportional Share	
Apache	89,500
Cochise	164,400
Coconino	168,300
Gila	67,100
Graham	46,600
Greenlee	10,500
La Paz	25,700
Maricopa	4,777,300
Mohave	250,500
Navajo	134,500
Pima	1,226,900
Pinal	470,300
Santa Cruz	59,300
Yavapai	264,100
Yuma	245,000

AHCCCS

32. Requires AHCCCS to submit a report by February 1, 2018 to the Governor and Legislature on the impact of provider cost increases resulting from the enactment of Proposition 206 on the adequacy of the provider network for enrollees in ALTCS. Requires the analysis of the provider network adequacy to be delineated by geographic area. Requires the report to include recommendation on how the state may address and deficiencies identified in the analysis. (Sec. 113)
33. Appropriates \$200,000 from the Prescription Drug Rebate Fund in FY 2018 to AHCCCS to complete the provider network adequacy analysis. (Sec. 113)

Arizona Commission on the Arts

34. Appropriates \$1,500,000 from monies earned from investments in the BSF in FY 2018 to the Arizona Arts Trust Fund. (Sec. 114)

Automation Projects Fund (APF)

35. Appropriates the following amounts, including 15 FTEs, to ADOA in FY 2018 from the APF for the following automation and information technology (IT) projects: (Sec. 115)

Project	Amount
Project management of statewide automation and IT projects	1,500,000
Feasibility study to replace the Human Resource Information System (HRIS)	500,000
Improving and maintaining network and security infrastructure	3,405,100
Enhancing statewide data security	7,303,500
Projects related to e-government	500,000

36. Makes the following appropriations to ADOA from the APF in FY 2018 for the following automation and IT projects: (Sec 115)

Project	Amount
Implement a statewide e-licensing system	595,500
Implement e-licensing projects at the Department of Environmental Quality (DEQ)	3,200,000
Implement upgrades to the claims processing system operated by the Industrial Commission of Arizona (ICA)	1,017,400
Implement updates to the IT system operated by the Arizona State Lottery Commission	3,497,400
Update microwave backbone statewide communication system at DPS	2,500,000
Implement updates to the Criminal Justice Information System operated by DPS	2,343,000

Implementing, upgrading and maintaining the Education Learning and Accountability System (ELAS)	7,300,000
Implementing upgrades to the IT infrastructure at the Department of Revenue (DOR)	11,000,000
Implementing upgrades to CHILDS at DCS	11,000,000

37. Prohibits monies appropriated for projects at each state agency from the APF from being used for projects at any other state agency without prior review by JLBC. (Sec. 115)
38. Requires ADOA to submit quarterly reports to JLBC within 30 days after the last day of each calendar quarter on implementation of projects, including project expenditures to date, deliverables, timeline for completion and current status. (Sec. 115)
39. Appropriates any remaining FY 2017 balances in the APF for ADOA, DCS, ADC, DES and ADE projects to ADOA in FY 2017 for the same purposes as specified. Requires ADOA to report any FY 2018 expenditure of remaining balances from FY 2017 in the APF in ADOA's quarterly report to JLBC. (Sec. 115)
40. Reverts any remaining FY 2017 balances on June 30, 2017 in the APF for the funding of DOR's enterprise tax system replacement assessment to the Liability Setoff Program Revolving Fund. (Sec. 115)
41. Appropriates any remaining FY 2016 balances in the APF for the e-licensing projects at DEQ for the same purpose as specified. Requires ADOA to report any FY 2018 expenditure of remaining balances from FY 2016 in ADOA's quarterly report to JLBC. (Sec. 115)
42. Appropriates any remaining FY 2016 balances in the APF for the DES IT security project for the same purpose as specified. Requires ADOA to report an FY 2018 expenditure of remaining balances from FY 2016 in ADOA's quarterly report to JLBC. (Sec. 115)
43. Prohibits the amount appropriated for implementing IT security at DES from being used for an assessment to replace any IT system at DES. Requires DES to submit a report for JLBC review on the IT security system by December 2, 2017. (Sec. 115)
44. Appropriates any remaining FY 2015 balances in the APF for the replacement of CHILDS for the same purpose as specified. Requires ADOA to report any FY 2018 expenditure or remaining balances from FY 2015 in ADOA's quarterly report. (Sec. 115)

Arizona Commerce Authority (ACA)

45. Allocates \$21,500,000 of GF withholding tax revenue in FY 2018 to the ACA, of which \$10,000,000 is credited to the ACA Fund and \$11,500,000 to the Arizona Competes Fund. (Sec. 116)
46. Appropriates \$300,000 from the GF in FY 2018 to the ACA to operate a trade office in Mexico City. (Sec. 117)

DES

47. Appropriates the sums of \$10,000,000 from the GF and \$23,036,000 from the Developmental Disabilities Medicaid Expenditure Authority in FY 2018 to DES for onetime assistance to address developmental disabilities provider cost increases resulting from the enactment of Proposition 206. (Sec. 118)
48. Appropriates \$2,000,000 from the GF in FY 2018 to DES for a onetime increase for state-only room and board expenses funded by DDD. (Sec. 119)

ADE

49. Appropriates \$3,000,000 from the APF in FY 2018 to the Broadband Expansion Fund for broadband expansion projects. (Sec. 120)
50. Appropriates \$200,000 in onetime funding from the GF in FY 2018 to the Governor for a computer science initiative. Requires the initiative to develop new academic standards for computer science, including coding, and professional development opportunities for all teachers. (Sec. 121)
51. Appropriates \$2,600,000 in onetime funding from monies earned from investments in the BSF in FY 2018 to ADE for rural assistance.
 - a. Requires the amount to be distributed on a pro rata basis based on Average Daily Membership (ADM) counts from the 2016-2017 school year to districts and charter schools that had fewer than 500 ADM pupils in grades K-8 and fewer than 500 ADM pupils in grades 9-12 that are located in a county with a population of less than 500,000 persons (all counties excluding Maricopa and Pima).
 - b. Allows a district or charter that primarily serves homeless or special needs pupils to qualify regardless of county location or ADM count. Defines *primarily serves homeless or special needs pupils*. (Sec. 122)
52. Appropriates \$100,000 from the GF in FY 2018 to ADE for distribution to a nonprofit organization for a jobs for Arizona graduates program. (Sec. 123)
53. Appropriates \$250,000 in onetime funding from the GF in FY 2018 to the Governor for school leadership training. Requires the Governor to allocate the appropriate amount to a public-private partnership to train school leaders in effective management strategies and expand the cadre of training coaches and facilitators. Requires the Governor to submit a report that summarizes the results of the training to the Legislature and SOS by November 1, 2018. (Sec. 124)

Department of Gaming

54. Appropriates \$250,000 from the Racing Regulation Fund in FY 2018 to the Department of Gaming for deposit in the Arizona Breeders' Award Fund. (Sec. 125)

DHS

55. Appropriates \$500,000 from the Emergency Medical Services Operating Fund in FY 2018 for a onetime deposit in the Public Health Emergencies Fund for the purpose of funding public health emergencies in this state. Requires DHS to use the monies only on a declaration of a public health emergency by the Governor. (Sec. 126)

Administrative Office of the Courts (AOC)

56. Appropriates \$250,000 from the Health Services Lottery Monies Fund in FY 2018 to the AOC for distribution to a county with a population of more than 500,000 and less than 1,000,000 persons (Pima). Requires the county to use the monies for a drug treatment alternative to prison program. Exempts the appropriation from lapsing through June 30, 2019. (Sec. 127)

OAG

57. Appropriates \$200,000 from the Arizona Water Banking Fund in FY 2018 to the OAG for an audit of the Central Arizona Water Conservation District (CAWCD). (Sec. 128)

School Facilities Board (SFB)

58. Appropriates \$17,167,900 from the GF in FY 2018 to SFB for building renewal grants. (Sec. 129)

Universities

59. Appropriates \$15,000,000 from the GF in FY 2018 to the universities for capital improvements

or operating expenditures in the following amounts:

- a. Arizona State University (ASU) - \$7,639,500
- b. Northern Arizona University (NAU) - \$3,202,800
- c. University of Arizona (UA) - \$4,157,700. (Sec. 130)

- 60. Requires the universities to report the intended use of the monies to JLBC by August 1, 2017. (Sec. 130)
- 61. Requires the universities to submit the scope, purpose and estimated cost of the capital improvements for review by the Joint Committee on Capital Review before an expenditure of the monies appropriated for capital improvements. (Sec. 130)

DWR

- 62. Appropriates \$2,000,000 from the GF in FYs 2018, 2019 and 2020 to DWR to use for this state's financial contributions to efforts by Arizona's Colorado River water users to conserve water in Lake Mead to reduce the likelihood lake elevations dropping to levels that could result in reductions to Arizona's Colorado River allocation. Exempts the appropriations from lapsing. (Sec. 131)

DEBT SERVICE PAYMENTS

- 63. Appropriates \$60,103,600 from the GF in FY 2018 to ADOA for the debt service payments on the sale and lease-back of state buildings authorized by Laws 2009, Third Special Session, Chapter 6. (Sec. 132)
- 64. Appropriates \$24,011,800 from the GF in FY 2018 to ADOA for the debt service payment on the sale and lease back of state buildings authorized by Laws 2010, Sixth Special Session, Chapter 4. (Sec. 132)
- 65. Allocates \$22,449,000 of GF revenue in FY 2018 to the Arizona Convention Center Development Fund. (Sec. 133)
- 66. Stipulates that the Rio Nuevo Multipurpose Facility District is estimated to receive \$10,000,000 from a portion of state transaction privilege tax revenues in FY 2018 and specifies that the actual amount of distribution will be made as outlined in statute. (Sec. 134)

FY 2019 APPROPRIATIONS

- 67. Appropriates \$12,000,000 from the GF in FY 2019 to ADE for early literacy. (Sec. 135)
- 68. Appropriates \$37,989,800 from the GF in FY 2019 for a onetime deposit in the New School Facilities Fund. Requires SFB to use the monies only for facilities that will be constructed for school districts that received final approval from SFB between March 2, 2016 and March 1, 2017. (Sec. 136)

FUND TRANSFERS

- 69. Transfers by June 30, 2017 the following amounts from the following sources to the GF for the purposes of providing adequate support and maintenance for state agencies:
 - a. \$30,000,000 from the Prescription Drug Rebate Fund. (AHCCCS)
 - b. \$35,000,000 from the Behavioral Health Services Fund (DHS). (Sec 137)
- 70. Requires DES to transfer \$24,052,425 from the Department Long-Term Care System Fund to the GF by June 30, 2017. Designates the transfer be recorded as revenue for FY 2017. (Sec. 138)
- 71. Transfers \$3,800,000 from the DHS Indirect Cost Fund to the ASH Fund by June 30, 2017. (Sec. 139)

72. Deletes the transfer of \$400,000 in the Court Appointed Special Advocate Fund to the GF in FY 2018. (Sec. 3)
73. Appropriates \$7,300,000 from the GF in FY 2018 for deposit in the APF for upgrading and maintaining the Education Learning and Accountability System at ADE. (Sec. 140)
74. Appropriates \$5,000,000 from the GF in FY 2018 for deposit in the APF for upgrading CHILDS at DCS. Contains intent that an additional \$6,103,000 be available for the project as appropriated. (Sec. 140)
75. Transfers the following amounts in FY 2018 to the APF from the following sources (Sec. 140):

Project	Amount and Fund Source
Project management of statewide automation and IT projects	1,500,000 - Automation Operations Fund
Improving and maintaining network and security infrastructure	3,405,100 - Automation Operations Fund
Enhancing statewide data security	1,797,000 - Automation Operations Fund State 5,065,600 - Web Portal Fund 440,000 - Risk Management Revolving Fund
Projects related to e-government	500,000 - State IT Fund
Development of a statewide e-licensing system	45,900 - Acupuncture Board of Examiners Fund 45,900 - Athletic Training Fund 40,000 - Board of Barbers Fund 27,500 - Board of Funeral Directors' and Embalmers' Fund 45,900 - Occupational Therapy Fund 27,500 - Board of Dispensing Opticians Fund 45,900 - Board of Optometry Fund 27,500 - Nursing Care Institution Administrators' Licensing and Assisted Living Facility Managers' Certification Fund 45,900 - Board of Physical Therapy Fund 27,500 - Podiatry Fund 80,200 - Board for Private Postsecondary Education Fund 9,700 - Board of Psychologist Examiners Fund 44,100 - Board of Respiratory Care Examiners Fund
E-licensing projects at DEQ	3,200,000 - Underground Storage Tank Revolving Fund
Implement updates to the claims processing system operated by the ICA	1,017,400 - Administrative Fund
Implement updates to the IT system operated by the Arizona State Lottery Commission	3,497,400 - State Lottery Fund
IT projects at DPS	1,000,000 - Public Safety Equipment Fund 2,500,000 - Concealed Weapons Permit Fund 1,343,000 - Fingerprint Clearance Card Fund
IT infrastructure upgrades at DOR	4,000,000 - Liability Setoff Revolving Fund. 4,000,000 - DOR Administrative Fund

76. Contains legislative intent that \$3,000,000 be available from the balance of the APF for IT infrastructure projects at DOR. (Sec. 140)
77. Requires, by June 30, 2018, the AG to direct a total of \$8,172,728 received pursuant to the consent judgement in the Moody's Corporation, Moody's Investor Service, Inc. and Moody's Analytics, Inc. settlements to the GF to compensate this state for costs resulting from the alleged unlawful conduct of the defendants. (Sec. 141)
78. Transfers \$1,450,000 from the Arizona Correctional Industries Revolving Fund in FY 2018 to the ADC Building Renewal Fund. (Sec. 142)
79. Transfers \$1,300,000 from the Health Services Lottery Monies Fund in FY 2018 to the ASH Fund. (Sec. 143)

PAYMENT DEFERRALS

ADE

80. Continues to defer \$930,727,700 in BSA and ASA payments made to ADE in FY 2018 to until after June 30, 2018, but no later than July 12, 2018. Excludes charter schools and school districts with a student count of less than 600 pupils from the deferral. (Sec. 144)
81. Requires ADE to disburse the FY 2018 appropriation of \$930,727,700 to the counties for the school districts starting July 1, 2018, and no later than July 12, 2018, in amounts equal to the reductions in apportionment of BSA and ASA. (Sec. 144)
82. Mandates that school districts include in the revenue estimates that they use for computing their FY 2018 tax rates the deferred monies that they will receive between July 1, 2018 and July 12, 2018. (Sec. 144)

STATEWIDE OPERATING ADJUSTMENTS

Area of Adjustment	GF	OF	Total
Employer Health Insurance Contribution Rate	25,000,000	25,000,000	50,000,000

83. Provides statewide adjustment procedures and instructions. (Sec. 145)
84. Appropriates the following amounts from the GF in FY 2018 to the following agencies for adjustments to risk management premiums (Sec. 146):

Agency	Amount
DCS	(441,500)
ADC	106,200
DES	179,800
Arizona Historical Society	419,600
State Land Department	(493,400)
Supreme Court	(276,700)
ASU - Tempe	732,500
NAU	60,400
UA	(286,900)

85. Appropriates the following amounts from the GF in FY 2018 to the following agencies for adjustments to AFIS charges (Sec. 147):

Agency	Amount
AG	(96,300)
AHCCCS	106,300
DCS	336,900
ADC	(270,600)
ADE	(19,500)
DES	(364,400)
DHS	(83,900)
Department of Insurance	(17,900)
DJC	(24,700)
Supreme Court	(37,000)
DOR	509,400
SOS	(21,500)
DWR	(16,800)

86. Outlines FY 2018 individual agency charges totaling \$1,798,500 for general agency counsel provided by the AG. (Sec. 148)

MISCELLANEOUS

87. Contains legislative intent that all departments, agencies or budget units receiving appropriations are to continue to report actual, estimated and requested expenditures in a specified format. (Sec. 149)

88. Contains other reporting requirements. (Sec. 150, 151, 152, 153)

89. Contains definitions sections. (Sec. 154, 155, 156)